

# Tracking the Trade: Vietnam's Illegal Wildlife Business

A summary of EEPSEA Research Report 2003-RR6, Wildlife Trading in Vietnam: Why it Flourishes, by Nguyen Van Song (Economics and Rural Development Faculty, Hanoi Agricultural University # I, Vietnam; contact: [nguyenvansong@yahoo.com](mailto:nguyenvansong@yahoo.com))

This report provides data on the logistics, scope and economics of the illegal trade in wildlife in Vietnam. It analyses the main reasons for the rapid growth in this trade and highlights key failures in the country's attempts to control it. The report recommends that the government should strengthen the capacity of the agencies responsible for fighting the trade and raise their budgets. It also highlights the need to use education to encourage Vietnamese people to stop consuming illegal wildlife products. The report concludes that, given the scale of the problem, a high level of commitment at all levels of government will be needed to significantly affect the illegal wildlife trade in Vietnam.

Trade in illegal wildlife products is a major factor driving the destruction of many of the world's most endangered species. This problem is particularly acute in Southeast Asia - home to many of the hunted animals and plants and the market for many of the contraband products. A new report from Vietnam has added valuable new information to the fight to stamp out this illegal trade. It throws light on the causes, scale and logistics of the trade in the region and highlights key failures in Vietnam's attempts to control the trade. It also outlines a series of policies that could go some way to resolving this catastrophic problem.

The study was conducted by Nguyen Van Song from the Economics and Rural Development Faculty at Hanoi Agricultural University. Song focused on twenty hotspots in three places in Vietnam - areas where the illegal hunting and marketing of wildlife species take place on a large scale. Due to budget and time limitations he concentrated on fauna, while highlighting the fact that there is also a highly developed illegal trade in plant products in the country.

## Tracking the Flows

Song collected primary data on the scale, scope and economics of all aspects of the wildlife trade. To do this he made contact with wholesalers, wildlife traders & hunters, consumers, Forest Protection Department (FPD) staff, policemen and market managers. Over a period of seven months in 2002, he conducted face-to-face investigations with these informants. Information was also collected from traditional Vietnamese medicine shops, traditional medicine producers, restaurants and others involved in the sale of wildlife products. Supporting secondary data, covering all aspects of the study, were also collected from various conservation and enforcement agencies such as the WWF, CITES, the FPDs and local authorities.

Song then traced the flow of wildlife and wildlife products from suppliers to consumers, both nationally and regionally. He did this using a "backward mapping" technique that traces the channels along which the trade in contraband products flows.

## Losing Endangered Species

The study was undertaken against a background of accelerating species destruction in Vietnam. Recent economic development has been accompanied by rising national and regional demand for wildlife products. At the same time, Vietnam's natural environment has been deteriorating rapidly: 200 species of birds and 120 other animal species have been wiped out over the last four decades. The country now has a 103 threatened and near-threatened species. Vietnam has enacted various laws to deal with this problem. In addition to acceding to CITES and other international wildlife conservation agreements, the government has issued twenty-one wildlife trade policies since 1989. Hunting and poaching of any animal without a permit has been banned in Vietnam since 1975. Unfortunately, these moves have been almost totally ineffectual in stopping the trade.

## **The Geography of the Trade**

Song found that the main domestic sources of endangered wildlife species in Vietnam are natural protected areas such as the Tay Nguyen plateau and the Mekong River Delta. The main international sources are Lao PDR, Cambodia, and Myanmar. He discovered that wildlife products from both sources flow to and along Road 1A to Hanoi and Ho Chi Minh markets. From there the goods move to Mong Cai- Quang Ninh or Lang Son and then to China. He estimated that 2,500-3,500 kg of illegal wildlife species pass through Mong Cai-Quang Ninh and Lang Son daily. Pangolins, monitor lizards, turtles, cobras, pythons, live tigers and tiger products, bear products, and monkeys are among the species traded. The trade is potentially very lucrative - the Golden Turtle has a black market price of USD 2,500 per kg. Song found that the traders used intimidation, corruption and other tricks to transport wildlife. Their ruses included forging permits and even using wedding cars and ambulances to disguise their activities.

## **Profiting from Poaching**

Song calculated that the total revenue and profit from the illegal wildlife trade in Vietnam is about VND 997 billion (USD 66.5 million) and VND 313 billion (USD 21 million) per year, respectively. The trade in wildlife meat accounts for about 80% of this and was concentrated in Hanoi and Ho Chi Minh City. Song calculated that the total volume of wildlife meat flowing in and out of Vietnam is about 3,000 tons per year. Of this, about half is used consumed domestically. In the study sites alone, Song found that the total profit from illegal wildlife trading stood at about USD 5.3 million per year, of which USD 227,000 was earned from live wildlife, USD 4.2 million from wildlife meat, USD 740,000 from dry products, and USD 10,130 from stuffed products.

## **The Cost of Protection**

Song then compared the profits from the illegal wildlife trade to the current expenditures for combating it. In the study sites, he estimated that the total profit was eight times larger than the amount spent on monitoring and enforcement. For the entire country, the estimated total profit was about thirty times larger than the current cost of enforcement and monitoring (around USD 650,000). This profit is three times the total budget of Forest Protection Department staff, and four times the total fines collected per year. Song also found that the

average value of officially confiscated live wildlife and wildlife meat from 1997 to 2002 only accounted for about 3% of the average annual value of the illegal wildlife trade.

Song then looked at why measures to halt the trade in illegal wildlife products have failed so profoundly. He found a shortage of funds and trained staff in almost all forest protection stations across the country's 58 forest protection stations. These employ about 8,000 staff and cover nearly 10 million hectares of forested land. On average, each direct FPD staff is responsible for about 1,870 hectares of forest. Typically, forest rangers earn about VND 270,000 (USD 18) per month and have only the most basic working equipment. Incentives are small: the reward for uncovering a major illegal logging or hunting operation is only VND 210,000 (USD 14).

## **How to Stop the Trade**

Song concludes that the main reasons for the continuous and intensified illegal wildlife trade in Vietnam are the high demand for and profitability of the illegal wildlife trade; the lax implementation of protection policies; and the lack of manpower, funding, and equipment to implement the policies. He recommends that the government strengthen the capacity of FPD staff to enforce existing laws and also raise the relevant fines. This would allow the organization to properly police the main illegal trade routes and target the kingpins of the illegal wildlife trade and wildlife restaurants. He estimates that the an FPD staff of about 12,400 is needed (vs. the current 8,266) and that the FPD's budget should be increased from VND 97.4 billion (US\$6.5 million) to about VND 174 billion (USD 11.6 million) per year. He also recommends that better incentives and equipment should be provided to field staff. Song also highlights the need for education to encourage Vietnamese people to stop consuming illegal wildlife products. Given the scale of the problem, a high level of commitment at all levels of government will be needed to significantly affect the illegal trade in Vietnam.

15,000 VND = 1 USD (February 2003)